

5 Employment

Changes in the overall composition of the labour force are slow to manifest themselves, and small year-to-year changes in the economy tend to be masked in GHS data because of sampling fluctuations, particularly for small subgroups of the population. Analysis of 1978 employment data therefore concentrates on trends in the main employment variables that were highlighted in the 1976 and 1977 reports. Tables presented in previous reports have been updated, and two new tables are included to provide more information about the participation of women in the labour force.

ECONOMIC ACTIVITY

The economic activity rate is the percentage of the population over the minimum school-leaving age¹ who are in the labour force (ie either employed or unemployed²).

Men

The economic activity rate of men aged 18-59 has remained fairly stable since 1971. Data for 1978 suggest that the decline in economic activity of males aged 60 and over, noted in

¹The marked increase in the activity rate among boys and girls under 18 between 1972 and 1973 is attributable to the raising of the school-leaving age from 15 to 16 in the academic year 1972/73, and the consequent decision to exclude 15-year-olds from GHS data from 1973 onwards.

²The GHS defines as unemployed, persons who said that during the reference week they were not in paid employment, but were looking for work or waiting to start a job that they had already obtained, or were intending to look for work but were prevented from doing so by temporary sickness. This definition includes the self-employed as well as the unregistered unemployed, but excludes persons who describe themselves in the GHS interview as economically inactive although they are registered as unemployed. The GHS definition differs from that used in the official statistics published by the Department of Employment. The official definition excludes the self-employed and the temporarily sick as well as those who are not registered as unemployed at a state employment office. On the other hand, it may include some people who are registered but who would describe themselves in the GHS interview as employed (but working a minimal number of hours) or as economically inactive.

earlier reports, has continued, reflecting a trend towards earlier retirement. As the following figures show, the proportion of men aged 60-64 who described themselves as retired stood at about 5% between 1971 and 1975, but by 1978 it had more than doubled, having risen to 12%. There was also a slight increase between 1973 and 1978 in the proportion of retired men among those aged 65-69.

		% of males aged 60 and over who are retired				
		60-64	65-69	70-79	80 and over	65 and over
1971	%	6		78		78
1973	%	5	67	84	92	79
1975	%	5	68	88	96	80
1976	%	7	70	86	94	81
1977	%	8	72	85	93	82
1978	%	12	73	87	95	
Bases						1626
1971		917		1626		1704
1973		854	742	750	212	1731
1975		880	736	813	182	1881
1976		834	806	863	212	1831
1977		768	759	888	184	1762
1978		764	726	834	202	

Factors that may have contributed to this trend towards earlier retirement include the growth in employers' private pension schemes³ and the lack of opportunity for post-retirement jobs in a declining labour market. A further contributory factor in 1978 may have been the Job Release Scheme, which began in 1977.⁴

Non-married women

There has been no reversal in the decline in the economic activity rates of non-married women, and 1978 data tend to support the comment made in the 1977 report that the increase (between 1976 and 1977) in the two age groups 35-44 and 55-59 could be explained

³See Tables 2.47-2.49 in the GHS 1976 Report.

⁴This scheme enabled persons approaching pensionable age to be released early from their jobs, opening opportunities for the younger unemployed. Allowances were paid to those leaving the labour force through this scheme until they reached state retirement age. Figures obtained from the Department of Employment show that between January 1977 and January 1979 some 43,000 people joined the Job Release Scheme.

by sampling fluctuation.

A new table (5.2) examines the economic activity status of non-married women between 1974 and 1978, by age and according to whether they have ever been married. (The sample numbers preclude a more detailed analysis by separate marital status categories and exactly comparable age groups.)

The decline in economic activity rates among single women aged 16-17 (between 1976 and 1977/78) and among those aged 18-24 (between 1975 and 1977/78) probably reflects a rise in the proportion of young women staying on at school after the statutory school-leaving age or entering further education, against a background of increasing difficulty in finding jobs. Among both these age groups of single women, as well as among those aged 25-34, the proportions who were unemployed more than doubled between 1974 and 1978.

The increase in the number of single women aged 18-24 in the population (owing to the rise in the average age at marriage, which began in the early seventies), combined with the increase in the proportion who were unemployed, implies a very marked rise over the period 1974-78 in the number of young unemployed single women in the population as a whole.

The decline, between 1975/76 and 1978, in the proportion of younger single women, those aged between 16 and 34, who were working was mainly among full-time workers, since apart from single women with a dependent child (who cannot be distinguished in this analysis) there would be little incentive for this age group to seek part-time work.

For widowed, divorced, and separated women, analysis of economic activity status has had to be confined to those aged between 25 and 59, since below the age of 25 the sample numbers for this group have never as yet risen above 50.

Reference has already been made to the sampling fluctuations in 1977 data on economic activity rates for non-married women as a whole in the age groups 35-44 and 55-59. Apart from 1977, Table 5.2 shows that among widowed, divorced, and separated women aged between 35 and 59, activity rates tended to decline over the period 1974 to 1978. There was also a fall, between 1976 and 1978, in activity rates among those aged 25-34.

Although there is some indication that there was an increase in the proportion of widowed, divorced, and separated women aged between 25 and 59 who were unemployed over the period 1974 to 1978, the evidence for this is much less clear than for single women. However, the proportion of widowed, divorced, and separated women aged 35-44 who were working

full-time declined steadily between 1974 and 1978, and among those aged 25-34 there was also a fall, between 1976 and 1978, in the proportion of full-time workers. This may reflect the increase over the period in the numbers of divorced and separated women with dependent children.⁵ (The number of widows in these two age groups is relatively small, less than one in ten of the 25-34 age group, and between a fifth and a quarter of those aged 35-44.)

Married women

The post-war trend for the labour force participation rates of married women to increase continued in 1978 for most age groups. However, among those aged 25-34 the rate has been relatively stable since 1975, and for those aged 60 or over there appears to have been a slight decline between 1977 and 1978, possibly reflecting a similar trend towards earlier retirement that was discussed above for men. In the case of married women, however, it is perhaps too soon to say whether this decline marks the beginning of a real trend. Economic activity among women is strongly related to age at marriage and the beginning of childbearing. The particularly marked increase in economic activity among married women aged 18-24 (from 46% in 1971 to 60% in 1978) partly reflects the tendency for married women to postpone starting a family, a development that began to emerge in the early seventies. Tables 5.1, 5.2, 5.4

Working mothers

As previous reports have shown, the birth of a child and the early years of childbearing restrict economic activity, and the majority of women with dependent children who do work, work part-time. In 1978 52% of women aged 16-59 with dependent children were working, but only 16% were working full-time. However, largely as a result of the increased availability of part-time and temporary work, the proportion of women with dependent children working part-time rose from 26% in 1971 to 35% in 1978.

The age of children has a marked effect both on the proportion of mothers who work and the proportion who work full-time. A new table (5.7), based on children rather than mothers,⁶ shows that in 1978 14% of children

⁵See Chapter 2, Table 2.23.

⁶Since this table is based on children it cannot be compared with Tables 5.3, 5.5, and 5.6, which are based on women. Table 5.7 produces apparently lower estimates of working mothers, since the more children in a family, the less likely it is for the mother to work, and some older children will have younger siblings who will affect the mother's ability to work. The advantage of using children as the population is that it enables the age groups to be broken down into finer categories.